

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6970

BILL NUMBER: HB 1210

NOTE PREPARED: Dec 26, 2006

BILL AMENDED:

SUBJECT: Homeowner Protection Unit Account.

FIRST AUTHOR: Rep. Van Haaften

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill provides that money in the Homeowner Protection Unit Account administered by the Attorney General does not revert at the end of a state fiscal year. The bill continually appropriates money in the Account.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary-* The state General Fund would not receive a reversion from the Homeowner Protection Unit Account beginning in FY 2008 and future fiscal years. Under current law the Account does not revert to the General Fund prior to July 1, 2007. However, current law requires the Account to revert its remaining balance at the end of each state fiscal year after June 30, 2007 (or beginning in FY 2008).

Background- For FY 2007 the state budget appropriated \$120,000 to the Account. However, in addition, the Account is augmented by fee revenue. The Account currently receives \$1.25 of a \$3 fee on mortgage recordings. The Account had a free balance of about \$423,275 as of June 30, 2006.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Attorney General; Auditor of State.

Local Agencies Affected:

Information Sources: Greg Strack, State Budget Agency, 232-5623; Auditor's Appropriation and Allotment Trial Balance 6/30/2006.

Fiscal Analyst: Chris Baker, 317-232-9851.